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4 **UNITED STATES DISTRICT COURT**
5 **DISTRICT OF NEVADA**

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7 MAGNOLIA FINANCIAL GROUP,
8 LLC,

9 Plaintiff,

10 v.

11 KENNETH ANTOS, et al.,

12 Defendants.

Case No. 2:18-cv-01839-JAD-BNW

ORDER

13 Presently before the court is plaintiff/judgment creditor Magnolia Financial Group, LLC's
14 motion for charging order (ECF No. 6), filed on September 21, 2018. The motion is unopposed.
15 This case was reassigned to the undersigned magistrate judge on May 3, 2019.

16 The United States District Court for the Eastern District of Louisiana entered a judgment
17 in favor of Magnolia and against defendants/judgment creditors Kenneth Antos, David Becklean,
18 and KCI Investments, LLC, for \$2,947,518.81, plus interest as stated in the judgment. (J. (ECF
19 No. 1) at 2-3.) Magnolia subsequently registered the judgment in this district. (*Id.* at 1.)
20 Magnolia served notice of the registration of the judgment in this district on the judgment debtors
21 by certified mail. (Notice (ECF No. 3).) Magnolia also served notice of the filing of the
22 judgment and affidavit of registration on the judgment by certified mail. (Notice (ECF No. 4);
23 Notice (ECF No. 5).)

24 According to Magnolia, Antos has a membership interest in a limited liability company
25 that owns real property in Nevada. Magnolia now moves for a charging order against any
26 distributions, disbursements, or other income provided to Antos by virtue of his membership
27 interest in the limited liability company. Specifically, Magnolia represents to the court that the
28 real property owned by the limited liability company was listed for sale in Nevada and under

1 contract, with a closing date of October 31, 2018. Magnolia requests an order requiring any funds
2 received by the limited liability company from the sale be paid to Magnolia to satisfy its
3 judgment, rather than to the Kenneth and Sheila Antos Living Trust. The motion for charging
4 order was served on Antos by United States Mail. (Mot. for Charging Order (ECF No. 6) at 7.)

5 Given that the date of the sale has passed, the court ordered Magnolia to file a status
6 report indicating whether its motion for a charging order is moot. (Order (ECF No. 10).)
7 Magnolia represents that the sale of the real property did not close and that the entity continues to
8 hold assets, including the real property, such that Magnolia's request for a charging order is not
9 moot. (Status Report (ECF No. 12).)

10 Title 28 U.S.C. § 1963 affords a federal district court the power to register a judgment
11 entered in any district court after the judgment has become final. "A judgment so registered shall
12 have the same effect as a judgment of the district court of the district where registered and may be
13 enforce in like manner." *Id.* Rule 69 of the Federal Rules of Civil Procedure provides
14 mechanisms for executing judgments. Federal courts generally apply state law enforcement
15 procedures, unless a federal statute applies. Fed. R. Civ. P. 69(a).

16 Nevada law requires that when a foreign judgment is registered, the judgment creditor
17 must file an affidavit setting forth the name and last known address of the judgment debtor,
18 stating that the judgment is valid and enforceable, and the extent to which the judgment as been
19 satisfied. Nev. Rev. Stat. § 17.360(1)-(2). When a foreign judgment is registered in Nevada, a
20 30-day stay of execution applies. Nev. Rev. Stat. § 17.360(3).

21 Under Nevada Revised Statutes § 86.401, a judgment creditor of a member of an LLC
22 may seek satisfaction of the judgment by moving a court to charge the member's interest in the
23 LLC. Nev. Rev. Stat. § 86.401(1); *Weddell v. H20, Inc.*, 271 P.3d 743, 749 (Nev. 2012). "A
24 charging order directs the LLC to make distributions to the creditor that it would have made to the
25 member." *Weddell*, 271 P.3d at 749 (quotation omitted). Under a charging order, a judgment
26 creditor is entitled to only "the judgment debtor's share of the profit and distributions, takes no
27 interest in the LLC's assets, and is not entitled to participate in the management or administration
28 of the business." *Id.* at 750.

1 Here, it appears that Magnolia has complied with all applicable procedures for registering
2 the foreign judgment in this district, has provided the required affidavit and notices under
3 Nevada, waited the applicable 30-day period, and has demonstrated it is entitled to a charging
4 order. Antos has not appeared in this case and did not respond to the motion for a charging order,
5 which constitutes a consent to the granting of the motion. *See* LR 7-2(d). Accordingly, the court
6 will grant Magnolia's motion for a charging order.

7 IT IS THEREFORE ORDERED that plaintiff/judgment creditor Magnolia Financial
8 Group, LLC's motion for charging order (ECF No. 6) is GRANTED.

9 IT IS FURTHER ORDERED that Magnolia must file a proposed charging order for the
10 court's consideration by October 8, 2019.

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12 DATED: September 26, 2019

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BRENDA WEKSLER
16 UNITED STATES MAGISTRATE JUDGE
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